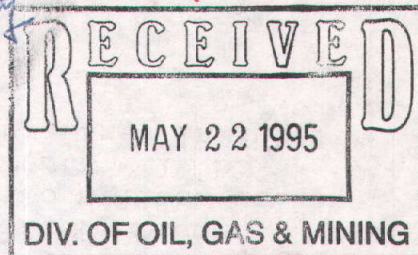




5M, INC., P.O. BOX 752, HURRICANE, UTAH 84737 (801) 635-4473

May 17, 1995



DOGM  
MINERALS PROGRAM  
FILE COPY

U. S. ENVIRONMENTAL PROTECTION AGENCY  
Region VIII  
999 18th Street - Suite 500  
Denver, Colorado 80202-2466

Attn: Sharon L. Kercher, Chief  
Removal Enforcement Section

Dear Ms. Kercher:

Making reference to the meeting held in Salt Lake City on May 12, 1995, attended by 5M, Inc. and including DEQ, DOGM, BLM, EPA, and others, 5M, Inc. was left with no opportunity to negotiate a voluntary agreement with the above Divisions of the State of Utah. We were advised this was to have been the main purpose of the meeting. As it turned out, 5M, Inc. is still being pressured by EPA to sign EPA Administrative Orders, including the Access Agreement to allow the EPA to immediately begin remediation and reclamation in a way that the two million dollars of existing facilities, equipment, and developments will be rendered useless in terms of being able to be utilized in future operations by 5M, Inc., or others.

Future plans and methods for resuming mining and ore processing operations at the Silver Reef site were discussed and explained in the meeting by 5M, Inc. in the context of 5M, Inc. utilizing these facilities to the maximum possible extent, while at the same time taking care of the environmental concerns, up front, and in the first phase of work to be done.

5M, Inc. further advised those present at the meeting, and including the EPA, that 5M, Inc. cannot successfully obtain funding to do the above programs as is, because the financial world, as well as Joint Venture partners, will have nothing to do with funding sites when the EPA has taken over and are mandating impossible to live with terms and conditions upon the owners and operators.

For example, the EPA has now issued orders for 5M, Inc. to sign the Access Agreements in favor of EPA within ten days or face legal action by EPA, along with the imposition of daily fines, including possibly "being sued" by EPA. Let it be understood, that 5M, Inc. has very committed funders who have stated they will capitalize the new operations, including the remedial actions within reason, providing the EPA will back off and let 5M, Inc.



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and the Utah state agencies involved work things out. This does not mean that the EPA is not involved, but, in fact, would still play an important role in the matter.

As things now stand, it seems like 5M, Inc. is getting the cart before the horse, to submit further data on the 5M, Inc. startup and remedial proposals at this time - if 5M, Inc. and the EPA have come to a point where legal actions, first initiated by the EPA, and now in process, will force 5M, Inc. to also move into legal actions where certain individuals, as well as the EPA, may be sued individually and collectively for the value of the facilities being rendered useless, the loss of livelihood and of major, valuable ore reserves rendered unuseable; the imposing of fines, duress, legal actions, and the most serious violation of our rights under the constitution and Bill of Rights.

5M, Inc. may very well be required to litigate a constitutional test of EPA's statutes, policies, and acts through to the Supreme Court. Western Mining Coalition Funding is available, and will assist such actions if necessary. 5M, Inc. believes that no court, jury, or Judge in the land has any obligation whatsoever to uphold the EPA in such tyrannical practices as are now being imposed upon 5M, Inc. and others in the West.

If the EPA has any desire at all to do what is right, and turn the control of this project back to the Utah state agencies in accordance with the Utah Mined Land Reclamation Act, which was passed by the state of Utah so the state could handle mining themselves without Federal interference, then the EPA should consider this immediately and advise 5M, Inc., and the appropriate Utah state agencies, of EPA's willingness to support a Voluntary Agreement to be negotiated among all concerned.

You have asked 5M, Inc. to communicate with you, which is now being done. In the meeting of May 12th, 5M, Inc. requested the EPA to respond to the remedial and startup proposals as was outlined by 5M, Inc. in the meeting. Are these proposals acceptable to the EPA, and could they be directed by the EPA through a Voluntary Agreement between 5M, Inc. and the appropriate Utah state agencies?

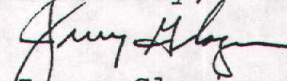
This letter is one more attempt by 5M, Inc. to request the EPA to allow 5M, Inc., and the state of Utah, to work this matter out to the benefit of all concerned, in order that funding can be completed, work schedules outlined and submitted, and all



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within a reasonable time frame. This can be done, but not within the EPA deadline and mandate of 10 days.

Sincerely,

  
Jerry Glazier

JG:s

cc: Senator Orrin Hatch  
Senator Robert Bennett  
Congressman James Hansen  
Governor Michael O. Leavitt  
Representative Met Johnson  
Kent Gray, DERR  
✓ Lowell Braxton, Natural Resources  
Dianne Nelson, DEQ  
Larry Gore, BLM  
Washington County Commissioners  
Washington County Sheriff  
Terry McParland, BLM